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**Survey Suggests Rural Seniors Face Challenges from Medicare Part D  
Preferred Pharmacy Drug Plans**

**Alexandria, Va. February 7, 2013** - A [survey](#) of community pharmacists suggests that so-called "preferred pharmacy" Medicare Part D drug benefit plans may pose challenges for seniors in rural communities. The finding comes shortly after similar questions were raised at the January public meeting of the [Medicare Payment Advisory Commission](#) (MedPAC), Congress' advisory board on Medicare issues.

The [National Community Pharmacists Association](#) (NCPA) surveyed 400 pharmacists in January 2013 regarding the plans. Among the findings:

- Some seniors are surprised to find that they are enrolled in Part D drug plans whose preferred pharmacies offering the lowest, advertised co-pays may be 20 miles or more from the seniors' home.
- Nearly all community pharmacy owners/operators (91 percent) said they are not offered the opportunity to participate as a preferred pharmacy.
- Virtually every pharmacist (98 percent) said their patients experienced confusion about the difference between preferred and non-preferred (or "network") pharmacies, with 76 percent of pharmacists attributing the patients' confusion to the plan's marketing activities.

While the Medicare Part D program does require plans to maintain a pharmacy network that meets minimum access standards, these requirements do not apply to the preferred pharmacies designated by the plan. To date, plans have largely designated only national chain pharmacies as preferred pharmacies, raising access concerns for rural seniors. Approximately [1,800 rural independent pharmacies](#) serve as the only pharmacy provider in their community, with the next closest pharmacy many miles away.

"Any legitimate pharmacy provider willing to accept a health plan's terms and conditions, including reimbursement, should be allowed the opportunity to serve that plan's members, including as a preferred pharmacy," said NCPA CEO B. Douglas Hoey, RPh, MBA. "That means more choice for patients and competition on service. Unfortunately, in the current environment, seniors may unwittingly be coerced by co-pays that are only available in 'preferred' pharmacies that may be 20 miles away, while much-closer, locally owned pharmacies are shut out. In effect, Medicare's access standard is a double standard—one by which some plans rely on independent pharmacies to meet pharmacy network access requirements while not allowing those same pharmacies to serve patients on equal footing."

At the [Jan. 10 MedPAC meeting](#), Commission staff said one reason they were "keeping an eye on this trend is because this could have an effect on beneficiaries' access to medications." In particular, questions were raised at the meeting about preferred pharmacy plans' potential impact on patient access to medication, beneficiary confusion over the difference between a preferred pharmacy and a network one, and the cost impact of differential co-pay levels. "Access and cost implications of tiered pharmacy networks are not yet

known and we will continue to monitor the plans' use of tiered pharmacy networks and the effects on beneficiaries' access to medications," MedPAC staff noted.

Pharmacists responding to the survey offered additional comments, including the following:

- "We are a rural pharmacy and there are no chains within 15 miles. The [NAME] plan has no preferred pharmacy within 20-plus miles. Patients do not want to drive that far or use mail order, it's that simple."
- "Patients are confused. In this case, they must travel 20-30 miles to the nearest preferred pharmacy as we reside in a rural area. We aren't given the opportunity to be a preferred pharmacy. Patients are frustrated and don't understand why they have to pay a higher co-pay to come to their local pharmacy and have their prescriptions filled by people they know and trust."
- "Some elderly have to arrange transportation because of fear of driving freeways. Also wait times are in excess of an hour at some preferred pharmacies, therefore people providing the transportation are also unwilling to service the elderly."
- "We are the only pharmacy in the county and patients then have to drive 70 miles round-trip to get to a preferred pharmacy."
- "We live in a rural area with only two independent pharmacies. The nearest chain pharmacies are over 40 miles away. We have several patients who can now no longer afford to get their medication filled at my pharmacy (a non-preferred pharmacy) but do not have transportation to get to a preferred pharmacy."
- "The nearest preferred pharmacy in the new [NAME] network is either 20 miles north, in a different state, or 20 miles south, in a different county."

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The National Community Pharmacists Association (NCPA®) represents the interests of America's community pharmacists, including the owners of more than 22,000 independent community pharmacies. Together they represent an \$81.5 billion health care marketplace and employ more than 250,000 individuals on a full or part-time basis. To learn more, go to [www.ncpanet.org](http://www.ncpanet.org), visit [facebook.com/commpharmacy](https://facebook.com/commpharmacy), or follow NCPA on Twitter [@Commpharmacy](https://twitter.com/Commpharmacy).